TENNESSEE REGULATORY AUTHORITY

Sara Kyle, Chairman Deborah Taylor Tate, Director Pat Miller, Director Ron Jones, Director



460 James Robertson Parkway Nashville, Tennessee 37243-0505

February 4, 2003

Mr. Charles Howorth Regulatory Vice President BellSouth Telecommunications, Inc. 333 Commerce Street Nashville, TN 37201-3300

Dear Mr. Howorth:

To assist the Authority in its evaluation of Docket 03-00060, *BellSouth Tariff to Introduce Welcoming Reward Program (Tariff No. 03-017)*, it is requested that you provide/respond to the following:

- 1. Provide appropriate justification demonstrating that the revenues expected from the Welcoming Reward Program will exceed the long-run incremental costs of providing the program and associated services.
- 2. Will customers incur a termination charge in case service is discontinued prior to the twelve (12) month term. If so, explain in detail how the termination liability would be calculated under the tariff provisions of Welcoming Reward Program. Further, provide example calculations for assessing termination charges assuming a customer subscribes to five business lines pursuant this program and terminates service (1) at the end of three months; (2) at the end of six months; and (3) at the end of nine months.
- 3. In BellSouth's 271 filing, BellSouth agreed to a ten (10) day waiting period before contacting customers who left BellSouth. Does BellSouth propose to adhere to this stated policy in marketing and deploying the Welcoming Reward Program?

This matter is scheduled to appear on the February 18, 2003 Authority Conference. In order for the Authority to have sufficient time to analyze the responses requested herein, it

is requested that this information be furnished no later than Thursday, February 6, 2003. If you have any questions regarding this matter, please contact David Foster at (615) 741-2904, extension 188.

Sincerely,

Joe Werner

Chief, Telecommunications Division

C: Docket File
Chairman Sara Kyle
Director Deborah Taylor Tate
Director Ron Jones
Director Pat Miller
Henry Walker, Esquire
Joe Shirley, Esquire